

**City Commission Special Meeting: 2021-22 FY Proposed Budget Overview  
June 30, 2021**

**Video of the meeting and agenda can be found [HERE](#):**

Vice-Mayor Sachs opened the meeting due to Mayor Owen being delayed. All Commissioners were present. City Staff present: City Manager, Assistant City Manager, City Clerk, City Attorney, City Police Chief, City Fire Chief, Recreation Director, City Finance Director, and a few others.

**Public Participation:**

One resident spoke about the importance of resurfacing the 500 block of Peninsula due to cracks, flooding, and the high volume of traffic which is making it worse. In 2018, it received a score of 49 by the IMS report, which is exceptionally low, thus monies are hopefully in the new budget to resurface it.

**Workshop:**

Financial Director, Natalia Eckroth, gave an overview of the FY2021-22 Proposed Budget The Presentation can be found [HERE](#).

Highlights of the presentation follow:

- Proposed City Wide Budget of \$87,459,217.
- The budget will include some carry-overs from FY2020-21.
- Proposed General Fund budget of \$34,794,407.
- \$2,331,220 for Funded Capital Equipment/Vehicles and \$10,032,450 for Funded Capital Outlay/Projects, with the total being \$12,363,670. Commissioner Hartman wanted to clarify, with Ms. Eckroth corroborating, that some of the costs for these projects will be reimbursed either by the State (ie. FDOT for the 5<sup>th</sup> St. and Barracuda Bridges) or other funding.
- Old Fort Wall at \$900,000 (full reimbursement from the State) and Women’s Club at \$500,000 (loan or grant but leaning towards a grant).
- Thirteen requested and approved new and re-classed positions. (City is short on staff and needs to bring its number up to meet the standard of service its residents expect.)
- There will be a 3% salary increase to all general employees (5% increase to those having current salaries less than \$31,200/yr.)
- Health insurance cost will increase: Florida Health Care 4.5 % and BC/BS at 7%.

Unfunded Items:

- Total cost is \$3,806,200.
- Items given 1<sup>st</sup> priority:
  - Railway Crossing Maintenance at \$265,000 for Mary Ave.
  - The NSB Police Department is requesting 4.5 additional positions (.5 is to handle vacations and illnesses) at \$360,000 (salary and benefits) due to western growth. Right now, there are 47 authorized officers with 6 in school which will bring the total to 53. The additional 4.5 officers will bring us closer to the ideal number of 61 which we will need in two years due to the projected growth.
  - The NSB Fire Department is requesting 3 entry level positions at \$190,000 (salary and benefits) which should save \$45,000 due to monies spent on overtime. **Note:** Initial equipment/paraphernalia and vehicle costs for both departments will come out of Impact Fees, but salaries and benefits will come from millage.

City Manager, Khalid Resheidat, stated that some department requests came after they were ranked and felt the Sports Complex pump replacement and the Caterpillar grader were both important and needed to be done this FY. The pump replacement would include the whole process, not just the pump. The lease on the grader expires September 30<sup>th</sup>, and there are two options: Lease it for two years at \$45,000 per year and then buy it for \$165,000 **or** lease it for four years and purchase it for a little over \$100,000. He recommended the first option.

The Skate Park Extension (ECHO hasn't opened their application process yet), Track Replacement and LED Lights are not recommended for this year, but the replacement of mulch for the Splash Pad and its surrounding area at the Babe James Center may be doable.

#### Property Taxes:

- Our property taxes have remained constant even though our home values have increased.
- It is proposed that the millage rate remains unchanged at 3.7421.
- Both the 2005 and 2018 Debt Service millage rates will decrease by approximately 10% from last year. The required annual payments will stay the same.

#### Discussion highlights/concerns/clarifications:

- There was a question about responsibility for vehicle maintenance at the Sports Complex since the School Board as well as other city's student athletes use the Complex. This will be investigated further as well as who is responsible for repairing the turf. The City/School Board 10-year agreement will end in either 2025 or 2026. The current agreement states that schools will play free of charge since they paid \$500,000 for the bleachers, but nothing is included in the agreement addressing repairs. Commissioner Sachs suggested we open negotiations with them soon so questions like this do not arise in the future. Mayor Owen suggested we research how other cities with stadiums are dealing with issues like this.
- The budget for the new bathroom at the Marina seemed exceptionally high. Construction costs are high, and it will also include a utility room and extended deck. Mayor Owen asked about the 100+ boaters who are on the waiting list for slips, wondering if it was a good time to raise the fees. The fees will be discussed further even though Ms. Eckroth responded that our fees were within the proper range.
- The County is talking about a roll-back in taxes, and both Commissioner Kolody and Mayor Owen felt that these were unrealistic given the current growth in the City.
- In regard to the increase of the City Manager's Emergency Fund, Mr. Resheidat stated this was just "embracing reality" as we need a plan in case disaster strikes.
- The budgets for Economic Development and Human Resources went up a lot which was due to services that were in other departments, like consultation, now logically put in the correct one; conversely, the budgets went down in the departments they came from.
- The Brannon Center has an increase in expenditures, but they should be offset by an expected increase in revenue. Fees to use the Center will be reviewed.
- Our Reserve Funds are doing well at \$14,000,000.

**Non-Budget Items:**

- Mr. Resheidat brought up concerns about the Dog Park as surrounding neighbors have been complaining about it. It was decided to temporarily close it until these issues can be resolved.
- Commissioner McGuirk stated that some residents are confused about the proposed dock ordinance (max 1000SF of dock and walkways being included). Commissioner Hartman stated that the ordinance is arbitrary, and that tides and dock location should be considered. Discussion followed about the science behind the length and height of docks. It was decided that the ordinance should go back to staff to rewrite using the wording: "Allow for a 1000 SF dock eliminating the calculation of walkways less than five (5) feet in width, mooring pole area, boat storage in the slip (which shades the water below)." This will be presented at a future CC meeting for a vote. The vote to do this included Commissioners McGuirk, Hartman and Kolody voting YES, and Commissioners Sachs and Owen voting NO.

**Upcoming Meetings on the FY 21/22 Budget:**

- July 29<sup>th</sup>, City Commission Budget Workshop to set tentative General Fund Millage at 3.7421 and Debt Service Millage at 0.2522.
- August 4<sup>th</sup>, TRIM Notice.
- August 19<sup>th</sup>, All-day Budget Workshop with Department Heads
- September 15<sup>th</sup> and 28<sup>th</sup>, Public Hearings